



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
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From: Chief of Naval Operations (N13)
To: Assistant Commander, Navy Personnel Command (PERS-4)
Subj: POLICY DECISION MEMORANDUM (PDM) 006A-07: IMPLEMENTATION
OF SEA DUTY INCENTIVE PAY (SDIP) PILOT
Ref: (a) NAVADMIN 070/07
(b) PDUSD(P&R) memo of 6 Dec 06 (NOTAL)
(c) ASN(M&RA) memo of 29 Jan 07 (NOTAL)
(d) 37 U.S.C. 307a
(e) DODI 1315.18 of 12 Jan 05
(f) MILPERSMAN
(g) DODFMR, Vol. 7A
(h) CNO (N13) PDM 006-07 of 22 Mar 07

Encl: (1) Sea Duty Incentive Pay Business Rules

1. Purpose. To elaborate upon reference (a) to provide revised comprehensive policy and guidance for the management, administration, and execution of the SDIP pilot program in accordance with references (b) through (g). This policy is effective as of the issuance of the implementing SDIP NAVADMIN (reference (a)) and will remain in effect until superseded or modified by a subsequent policy memorandum, instruction, or message. It is a substantial revision of reference (h) and should be read in its entirety.

2. Cancellation. PDM 006-07.

3. Background. Sailors do not view all assignments as equally desirable. Sea duty can be particularly arduous and poses a challenge to attainment of the sea-centric framework the Navy seeks to adopt. While the Career Sea Pay and Career Sea Pay Premium incentives serve a distinct distribution function of incentivizing Sailors across a tour (and a career) to "go to sea, stay at sea, and return to sea," some enlisted ratings remain undermanned at sea. The Navy is establishing the SDIP pilot program using existing Assignment Incentive Pay (AIP) statutory authority to help harness the talent, energy, and motivation of the all-volunteer force to aid those enlisted communities with continuing manning challenges at sea.

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4. Responsibilities:

a. In accordance with reference (c), the Director of the Manpower, Personnel, Training and Education Policy Division (OPNAV N13), under the direction of the Deputy Chief of Naval Operations (Manpower, Personnel, Training, and Education) (N1), has been delegated the authority to manage the SDIP program.

b. The Head of the Military Pay and Compensation Policy Branch (OPNAV (N130)) is responsible for ensuring SDIP program implementation is conducted in accordance with reference (b) and in compliance with existing Department of Defense and other governing directives. During the pilot, N130 will make determinations on matters pertaining to SDIP policy to address emergent needs for interim changes.

c. The Model and Analysis Branch (OPNAV N1042) is responsible for tracking the number of SDIP "takers" and other associated metrics that may be used to assess the effectiveness of the SDIP pilot program. N1042 will provide monthly reports on the SDIP "take-rate" and other metrics to N13 via N130.

d. The Director, Enlisted Distribution Division (PERS-40), under the direction of Commander, Navy Personnel Command (CNPC), is responsible for the overall administration and execution of the SDIP pilot program in accordance with references (a) through (g), this PDM, and any subsequent or adjunct policy guidance provided by N13. PERS-40 retains previously delegated AIP approval authority and therefore, shall use that authority to approve or disapprove SDIP requests. In carrying out his responsibilities, PERS-40 shall ensure that the amount of SDIP authorized for payment to an SDIP approved Sailor shall take into account the amount of AIP the Sailor may already be receiving, if any, such that the sum of the SDIP and AIP does not exceed the statutory limit on maximum receipt of AIP payments.

5. Policy. The SDIP pilot will operate under the AIP authority contained in reference (d), but as a separate program from the AIP program. Under SDIP, existing pay, personnel, assignment, and distribution policies remain applicable except where otherwise stated in this PDM, the SDIP implementing NAVADMIN, or subsequent N13 guidance. The SDIP pilot initially targeted three specific ratings, and is now being expanded to include

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additional ratings that have lengthy sea duty requirements and minimal shore duty opportunities under the following guidelines:

a. SDIP consists of two incentives:

(1) SDIP-Extension (SDIP-E): Aims at incentivizing Sailors to voluntarily extend their sea duty assignments on ships, submarines, or at aviation squadrons by a minimum of six months and a maximum of 24 months (36 months for an OCONUS assignment, including Hawaii). SDIP-E is intended to incentivize Sailors to volunteer to extend their sea duty assignments either on board their current sea commands or, by accepting consecutive sea duty assignments to another qualifying sea command. By approval of an SDIP-E request and execution of the SDIP-E written agreement, volunteers will receive a lump sum payment based on the number of months Sailors extend past their prescribed sea tour (PST) or planned rotation date (PRD), whichever occurs later. Following approval of an SDIP-E request, but prior to receiving SDIP-E, the Sailor will sign and date a written SDIP-E agreement worded as follows (included as a page 13 entry in the Sailor's service record):

"I volunteer to extend sea duty on board [specify the activity/(UIC) concerned] _____ for [enter approved number] _____ months beyond my scheduled prescribed sea tour (PST) or projected rotation date (PRD), whichever is later, of [enter Sailor's original PST/PRD for current sea duty] _____. I agree to accept Sea Duty Incentive Pay (SDIP) at the rate of [specify the approved applicable monthly rate] \$_____ per month for [state approved number of months (no fewer than 6 additional months at sea and no more than 24 months for a CONUS home ported unit and 36 months for an OCONUS or Hawaii based unit)] _____ months from [specify the start date the Sailor commences extended duty at the unit/command] _____, for each full month I serve in this assignment under this agreement beyond completion of my PST/PRD. The total amount of SDIP due for the period of the agreed extension will be paid to me in lump sum normally within two pay periods of commencing the extension period. The Navy will consider recoupment of any portion of the SDIP paid to me that I do not subsequently earn by serving the full period of the extension, to include, but not limited to, permanent transfer from the assignment

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(including periods of terminal leave), or in the event that I am AWOL or in confinement status prior to completion of the agreed extension."

(2) SDIP-Curtailment (SDIP-C): Aims at incentivizing Sailors to voluntarily curtail their shore duty assignments a minimum of six months prior to their original PRD, and return to sea duty assignments on a ship, submarine, or at an aviation squadron for a minimum of 12 months. Only in rare cases will Sailors be eligible for SDIP-C before first meeting the minimum activity tour length requirements established by reference (e). Approved volunteers will receive a lump sum SDIP-C payment based on the number of months Sailors shorten their shore tours. Following approval of an SDIP-C request, but prior to receiving SDIP-C, a Sailor will sign and date a written SDIP-C agreement worded as follows (included in a page 13 entry in the Sailor's service record):

"I volunteer to curtail my shore duty assignment at [specify the activity/(UIC) concerned] _____ by [enter approved number] _____ months prior to my Projected Rotation Date (PRD) of [enter Sailor's original PRD from current shore duty] _____. I further understand that I must serve a minimum of 12 months in the sea duty assignment to which I am ordered to remain qualified for Sea Duty Incentive Pay (SDIP) at the rate of [specify the approved applicable monthly rate] \$_____ per month for [state number of months (no fewer than six months) by which Sailor has agreed, and received approval, to curtail his or her shore tour] _____ months, for each of the number of months calculated based on the difference between my original PRD month and the month of actual detachment from my current unit/command, to include the PRD month, but not to include the detachment month (e.g., if original PRD is January 2008 and the Sailor detaches on PCS orders in July 2007, the difference is six months). The total amount of SDIP due for the period of the agreed extension will be paid to me in lump sum normally within two pay periods of reporting to the sea duty assignment to which I am ordered. The Navy will consider recoupment of any portion of the SDIP paid to me that I do not subsequently earn by serving 12 months on sea duty, to include, but not limited to, permanent transfer from the assignment

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(including periods of terminal leave), or in the event that I am AWOL or in confinement status prior to completion of 12 months on sea duty."

b. Shore duty commands with Sailors who are approved to curtail their shore duty and receive SDIP-C should not expect a replacement until the Sailor's original PRD, or nine months from the Sailor's detachment month, whichever occurs first. The need for a contact relief will not be considered as a condition for SDIP-C approval. Timing of a relief is conditioned upon Sailors applying for SDIP-C at least 12 months in advance of their original PRD.

c. At the unit level, the Command Career Counselor (CCC) shall advise individual Sailors regarding program benefits, eligibility requirements, and application procedures. The CCC shall also counsel Sailors on the possible interaction between the SDIP and Selective Reenlistment Bonus (SRB) programs using the most current SRB NAVADMIN. Sailors should be aware that extensions of enlistment for purposes of fulfilling SDIP obligated service requirements may impact SRB award amount computation. CCC's should contact NPC SRB (PERS-481) at commercial (901) 874-2526/DSN 882 or by e-mail at yvonne.saddler@navy.mil for questions regarding whether a Sailor's future SRB might be impacted by an SDIP enlistment extension.

d. The AIP Distribution Incentives Board (DIB), comprised of members from OPNAV (N130), NPC (PERS-4), Fleet Forces Command (N1P142), and the U.S. Pacific Fleet (N132), will make recommendations to OPNAV (N13) regarding proposed changes to the SDIP Program. Enlisted Community Managers will submit proposed additions, deletions, and/or changes, with appropriate justification, via NPC (PER-40) for consideration by the DIB. The DIB will then submit these changes, along with their decision-recommendation for the items, to N13 (via N130) for approval/disapproval.

e. SDIP payment levels will be established by OPNAV (N13). In cases where Sailor-response to SDIP is above or below desired goals for any SDIP designated skill/community, OPNAV (N130) will submit to N13 for approval recommendations for necessary adjustments to SDIP payment levels to obtain the desired response.

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f. Changes to SDIP levels will be forwarded to NPC (PERS-40) by OPNAV (N130). CNPC (PERS-40) will input the changes into the Enlisted Assignment Information System (EAIS) and direct the new levels be posted to the NPC website at <http://www.npc.navy.mil/CareerInfo/PayAndBenefits/>. Approved pay levels will be updated as required.

g. Enclosure (1) contains additional business rules governing both incentives (SDIP-E & SDIP-C) under the SDIP program.

h. Any deviation from SDIP policy guidance must be approved by OPNAV (N13).

6. Eligibility. SDIP is a voluntary program and is determined by the needs of specific communities to address at-sea manning challenges. Eligibility will be determined according to the below-listed criteria.

a. For the purposes of this pilot, SDIP is limited to selected Active Component personnel serving in specified enlisted communities that are under-manned at sea. Reserve Component Sailors (including Full Time Support) are currently ineligible for SDIP.

b. To be eligible for SDIP, a Sailor must:

(1) Be serving in or selected for advancement to (including Sailors who are frocked) in one of the eligible ratings, skills, and pay grades listed in the chart below. Exceptions to the pay grade requirement with respect to an assignment with Forward Deployed Naval Forces (FDNF) will be considered only in coordination with Commander, Fleet Forces Command (CFFC). Subsequent changes in ratings, skills, pay grades, or payment levels will be posted at the NPC website at <http://www.npc.navy.mil/CareerInfo/PayAndBenefits/>.

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Rating/Skill	Pay Grade	Prescribed Sea Tour (months)	Initial Monthly SDIP Rate
Aviation Boatswain's Mate (AB)	E-9	48	\$750
Aviation Boatswain's Mate (Launching and Recovery Equipment) (ABE)	E-8	48	\$750
Aviation Boatswain's Mate (Fuels) (ABF)	E-8	48	\$750
Aviation Boatswain's Mate (Aircraft Handling) (ABH)	E-8 E-7	48 45	\$750
Aviation Ordnanceman (AO)	E-8	48	\$750
Damage Controlman (DC)	E-9	48	\$750
Electricians Mate (EM) (SW) (Note 1)	E-5	60	\$500
Engineman (EN)	E-9	48	\$750
Engineman (EN)	E5-6	60	\$500
Electronics Technician (ET) (SS) NV (NEC 14NV)	E8-9 E7	42 48	\$750
Electronics Technician (ET) (SS) NV (NEC 14NV)	E-6	48	\$500
Fire Controlman (FC) - AEGIS	E7-9	39	\$750
Fire Controlman (FC) - AEGIS (NECs 1104/1105/1106/1107/1115/1119/1143/1144/1318/1322/1331/1335/1336/1337/1339)	E-6 E-5	54 60	\$500
Machinist Mate (MM) (SW) (Note 2)	E-9	48	\$750
Machinist Mate (MM) SSW (Note 3)	E-7	48	\$750

Note 1: Limited to non-nuclear Electricians Mate on surface ships (do not hold NEC 33XX).

Note 2: Limited to non-nuclear Machinist Mate billets on surface ships.

Note 3: Limited to submarine weapons billets (NEC 0749, 0750, 0751, 4232, 4233, 4234, 4235, 4247).

(2) (For SDIP-E on board the current command) Be serving in a permanent duty assignment on a ship, submarine, or aviation squadron designated as sea duty for purposes of rotation (assigned sea/shore type duty code 2 or 4 in accordance with Article 1306-102 of reference (f)) and home ported in CONUS, Hawaii, or overseas. A Sailor is ineligible for SDIP-E if the requested extension would result in the Sailor remaining on board his/her current command and if he/she would be considered to be assigned in excess of authorized billets for the Sailor's rate (i.e., assigned in excess of Billets Authorized (BA)) as of his/her original PRD. Commands should contact the appropriate rating detailer for questions concerning a Sailor's status as compared to BA.

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(3) (For SDIP-E for consecutive sea duty assignments) Be serving in a permanent duty assignment on a ship, submarine, or aviation squadron designated as sea duty for purposes of rotation (assigned sea/shore type duty code 2 or 4 in accordance with Article 1306-102 of reference (f)) and home ported in CONUS, Hawaii, or overseas. A Sailor assigned in excess (as described above) at his/her current command is eligible for SDIP-E if the requested extension would result in the transfer of the Sailor to another sea duty command (i.e., consecutive sea assignment). Approved Sailors will be reassigned at their original PRD to an eligible sea duty billet on another ship, submarine, or at another aviation squadron designated as sea duty for rotation purposes (assigned sea/shore type duty code 2 or 4).

(4) (For SDIP-C) Be serving in a permanent shore duty assignment at an activity located in CONUS, Hawaii, Alaska, or overseas that is designated as shore duty for purposes of rotation (assigned sea/shore type duty code 1 or 6 in accordance with Article 1306-102 of reference (f)). Approved Sailors will be assigned to eligible sea duty billets on a ship, submarine, or at an aviation squadron designated as sea duty for rotation purposes (assigned sea/shore type duty code 2 or 4). Sailors currently receiving AIP for their shore duty assignment are not eligible for SDIP-C.

(5) Incur sufficient obligated service to be able to execute the service required by his/her SDIP-C or SDIP-E agreement. Obligated service shall be incurred prior to payment of in the case of SDIP-E, and prior to detachment from the shore duty unit/command in the case of SDIP-C. See paragraph 5c. above for considerations regarding SDIP and SRB entitlements.

(6) Be eligible for operational duty in accordance with Articles 1300-304 and 1300-800 of reference (f) and meet all other personnel, assignment, and distribution policy requirements not modified by SDIP Program policy.

(7) Include an endorsement by his or her Commanding Officer with the SDIP application.

(8) Meet any additional eligibility criteria as prescribed by OPNAV (N13).

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c. Sailors currently serving under a High Year Tenure (HYT) waiver, or who must be granted a HYT waiver in order to meet SDIP program requirements, are eligible and encouraged to apply for SDIP. These Sailors will generally receive favorable consideration of their SDIP and HYT waiver requests. Approvals, however, will be decided on a case-by-case basis.

d. If, after a Sailor has been approved for SDIP and has executed his/her SDIP agreement (Page 13), he/she is selected for advancement to a pay grade that is not listed as eligible for SDIP, the Sailor will normally remain eligible for SDIP. However, if the Sailor requests to be released from the agreed sea duty extension or shore duty curtailment, and subsequent reassignment to sea duty, SDIP eligibility may be terminated. If selection for advancement to an SDIP ineligible pay grade occurs prior to approval of an SDIP request, NPC (PERS-40) may disapprove the request on that basis.

e. A Sailor who has submitted a request for transfer to the Fleet Reserve, but has not yet been transferred, may apply for SDIP and will receive consideration on a case-by-case basis. Requests to cancel Fleet Reserve authorizations will be processed in accordance with existing policy.

f. A Sailor distributed to a "closed loop" Navy Enlisted Classification (NEC) requirement (i.e., a Sailor with a distribution NEC) is only eligible for SDIP if the NEC community is eligible. A Sailor distributed to a transitory NEC (e.g., 9517 - 3M System Coordinator; 9519 - Navy Drug and Alcohol Counselor) is not eligible for SDIP-E for their rating. However, a Sailor on shore duty who has been distributed to a transitory NEC may apply for SDIP-C if their rating/skill and pay grade are included on the SDIP eligibility list. The terms "closed loop NEC", "distribution NEC", and "transitory NEC", have the same meaning as they are given in Article 1306-100 of reference (f).

g. Should a unit undergo a home port change or decommissioning prior to the completion of an SDIP assignment, affected Sailors will be reassigned in accordance with existing policy.

7. Application Process. SDIP applications will consist of a completed NAVPERS 1306/7 with command endorsement. In applying for SDIP, a Sailor must:

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a. Submit the SDIP application to his or her rating detailer within sufficient time to meet the following requirements:

(1) Eligible Sailors desiring SDIP-E should submit their request to extend their sea tour 10-12 months prior to their original PRD, if extending at the present duty station. Sailors desiring SDIP-E for consecutive sea duty assignment to a new command should submit their request 6-12 months prior to their original PRD).

(2) Eligible Sailors desiring SDIP-C must submit their request to curtail their shore duty assignment at least three months prior to their desired detachment date.

b. Reference NAVADMIN 070/07, any subsequent SDIP NAVADMINs and this PDM in the SDIP application.

c. Annotate the number of months he/she is willing to extend his/her assignment beyond the PST/PRD (which ever is later) for SDIP-E (do not include the months occurring between the consecutive permanent sea duty assignments), or, for SDIP-C, the number of months he/she is willing to curtail his/her shore duty assignment. When applying for SDIP-E for consecutive sea duty assignments, the number of months remaining in the PST as of the Sailor's arrival at the new sea command, plus the requested number of months of the extension must equal or exceed the minimum activity tour required for the new ultimate duty station. When using the on-line NAVPERS 1306/7, ensure that SDIP is selected under "reason for submission."

8. Approval Process. Except where otherwise modified by SDIP Program policy, detailers will apply existing personnel, assignment, and distribution policies when reviewing SDIP applications. SDIP approval will occur as follows:

a. Detailers will determine whether an SDIP extension or curtailment request meets all SDIP program requirements and can be executed. Once eligibility is verified, detailers will make a recommendation and submit SDIP requests to NPC (PERS-40) for a final decision.

b. NPC (PERS-40) will make final approval decisions on all SDIP requests. In making an approval decision, NPC (PERS-40) will consider waivers of existing minimum tour length

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requirements in accordance with references (e) and (f). In the case of Sailors in receipt of Permanent Change of Station (PCS) orders at the time of, or subsequent to, their applications for SDIP, PERS-40 may consider and approve such applications on a case-by-case basis with the concurrence of the applicable Manning Control Authority (MCA) in accordance with existing assignment policies and the "needs of the Navy".

c. Upon an NPC (PERS-40) SDIP decision, the responsible PERS-40 detailing branch will send approval/disapproval notifications to Sailors by naval message. In the case of Sailors approved for SDIP-E for consecutive sea duty assignments, the notification message will include name and Unit Identification Code (UIC) of the Sailor's new ultimate duty station.

d. If approved, Sailors will sign and date a page 13 agreement for SDIP as outlined in paragraph 5 above. Page 13 agreements shall be signed and dated within 30 days of receiving an SDIP approval message. Commands will file the signed original page 13 in the Sailor's field service jacket and submit a copy to NPC (PERS-40).

9. Payment. SDIP payments will be calculated and made in a lump sum according to the following guidelines:

a. SDIP will not be paid for periods of terminal or separation leave.

b. If a Sailor receives an SDIP approval message and refuses orders to an SDIP assignment or the Sailor's orders for the SDIP assignment are subsequently cancelled, the Sailor's eligibility for SDIP is terminated.

c. A Sailor eligible for, and meeting the requirements of, the SDIP program may receive SDIP along with other incentives for which he or she is eligible (e.g., SRB, \$2,000 Overseas Tour Extension Incentive Program (OTEIP) payment, Consecutive Overseas Tour (COT)/In-Place COT leave travel, AIP, etc.). No combination of SDIP and AIP will exceed a rate of \$3,000 per month or \$36,000 per year.

d. SDIP is taxable pay. However, if the Sailor served in a combat zone or a qualified hazardous duty area, or served outside the designated zone/area but served in direct support of

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military operations in the combat zone or qualified hazardous duty area during any part of the month in which the Sailor signed the SDIP page 13 agreement, the Sailor may become eligible to receive SDIP as a pay excluded from tax in accordance with Chapter 44 of reference (g).

e. SDIP may be contributed to the Thrift Savings Plan.

f. Further details on SDIP payment under SDIP-E and SDIP-C are found in enclosure (1).

10. Recoupment and Repayment. Recoupment of unearned portions of the SDIP lump sum payment will be conducted as follows:

a. Sailors who fail to complete the full period of additional sea duty service as required by their SDIP agreement will be required to repay the percentage of the SDIP lump sum payment representing the unexecuted portion of their required service. Situations requiring recoupment include, but are not limited to:

(1) Approved request for voluntary release from the written agreement if, due to unusual circumstances, it is determined by CNPC (PERS-40) that such release would clearly be in the best interests of both the Navy and the Sailor.

(2) Approved voluntary request for relief from an SDIP assignment.

(3) Disability resulting from misconduct, willful neglect, or incurred during a period of unauthorized absence.

(4) Removal from the SDIP assignment for cause, including misconduct.

(5) Separation for cause, including misconduct.

(6) Separation by reason of weight control and/or physical readiness test failure.

b. If a Sailor becomes ineligible for SDIP for any of the reasons below, recoupment of payments already received will not be required:

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(1) Disability, injury, or illness not the result of misconduct or willful neglect, or not incurred during a period of unauthorized absence.

(2) Separation from the naval service by operation of laws or regulations independent of misconduct.

(3) Death (see subparagraph c below).

(4) Where the Secretary of the Navy determines repayment would be against equity and good conscience, or contrary to the best interests of the United States.

c. In the event a Sailor dies before the SDIP is received by the Sailor or before the Sailor completes the sea duty assignment/extension for which SDIP is payable (and death is not caused by the Sailor's misconduct), the unpaid/unearned balance of the SDIP shall be payable in the settlement of the deceased Sailor's final military pay account (unpaid SDIP shall be payable in lump sum). If death is determined to be voluntary or the result of the Sailor's own misconduct, termination of any future payment and proration or recoupment of the SDIP, as applicable, will be made in accordance with procedures established for Sailors whose inability to complete a contracted period of service is voluntary or the result of misconduct.

11. Evaluating Pilot Effectiveness. The SDIP pilot program will initially target the specific ratings/skills and pay grades listed above. The pilot is expected to last 18 - 24 months. An evaluation of the program's utility will be conducted at the end of this period (or at other times during the pilot as determined by OPNAV N13) to determine if expansion beyond the pilot is warranted.



M. A. LEFEVER
Rear Admiral, U.S. Navy
Director, Manpower, Personnel,
Training and Education Policy
Division (N13)

Copy to:

OPNAV (N10, N104, N12, N13SP, N130)
CNPC (PERS-3, PERS-40, Head ECM)

Sea Duty Incentive Pay Business Rules

The following business rules are established to facilitate the administration of the SDIP program and amplify the SDIP Policy Decision Memorandum (PDM). As in all programs, these rules will cover the vast majority of SDIP cases; however, situations may arise that fall outside the scope of existing policies. In these cases, OPNAV (N130) will issue a determination based on review of SDIP policy and individual circumstance. NPC (PERS-40) will adjudicate matters pertaining to SDIP application procedures and execution.

SEA DUTY INCENTIVE PAY - EXTENSION (SDIP-E): EXTENSIONS ON BOARD THE CURRENT ASSIGNMENT OR FOR CONSECUTIVE SEA DUTY ASSIGNMENTS

1. The minimum SDIP extension is six months beyond a Sailor's PST or original PRD (whichever is later), and the maximum SDIP extension is 24 months (36 months OCONUS). However, in the case of SDIP for consecutive sea duty assignments, the SDIP extension when combined with any remaining months of the Sailor's PST (as of the date of arrival at the new ultimate duty station) must meet or exceed the minimum activity tour for the new assignment. Any subsequent extension(s) under SDIP-E must be for a minimum of six additional months. SDIP payment levels for subsequent extensions will be for the amount in force at the time the new extension is approved.
2. The SDIP amount under SDIP-E for tour extensions at the current duty assignment or for consecutive sea duty assignments will be calculated by multiplying the number of full months extended beyond the original PRD (or PST, whichever occurs later) month by the monthly amount of the payment level in effect at the time the extension is approved, less any AIP payments that would place the Sailor in excess of the statutory limit of \$3,000 per month or \$36,000 per year for any combination of AIP and SDIP. The SDIP level in effect when the Sailor's request is approved by NPC is subject to this statutory limit. Any time occurring between consecutive sea duty assignments (i.e., after detachment from the current sea duty assignment and prior to reporting to the new ultimate sea duty assignment) are not attributable to the sea tour extension and will not be used in calculating SDIP.

3. Payment will be made by lump sum normally within two pay periods of the start of the sea duty extension.

4. If a Sailor requests further additional obligated service (minimum of six additional months per paragraph 1 above) beyond the original extension, the SDIP level that is in effect when the additional extension is approved will be multiplied by the additional months to determine the payment.

5. SDIP-E recoupment will be calculated as follows:

a. Divide the Sailor's lump sum SDIP payment by the number of contracted extension months beyond the original PRD or PST month (whichever is applicable). This is the SDIP-E "recoupment rate."

b. The amount to be recouped will be equal to the Sailor's SDIP-E recoupment rate multiplied by the number of extension months that were not completed (including partial months).

SEA DUTY INCENTIVE PAY - CURTAILMENT (SDIP-C): TERMINATION OF SHORE DUTY FOR SEA DUTY

1. Termination of shore duty and a subsequent transfer to sea duty in the same geographic area is preferred. PCS moves with less than 24 months on station will require specific approval by NPC (PERS-4). Requests for termination of shore duty by Sailors serving in Type 6 duty will be considered only if the Sailor can be assigned to an SDIP eligible sea duty assignment in the same geographic/home port area (e.g., shore command and subsequent SDIP-C sea duty command located in Yokosuka, Japan).

2. The SDIP payment amount is determined by multiplying the number of full months curtailed (including the original PRD month, but excluding detachment month) by the SDIP level established at the time the NAVPERS 1306/7 is approved, less any AIP payments that would place the Sailor in excess of the statutory limit of \$3,000 per month or \$36,000 per year for any combination of AIP and SDIP. The SDIP level in effect at the time of approval of the request by NPC is subject to the AIP statutory limit. The lump sum payment will normally be paid within two pay periods after the Sailor reports to his or her ultimate sea duty assignment.

3. Curtailment of certain shore assignments (e.g., Recruiter, Recruit Division Commander, Instructors, etc.) will not normally be approved, but will be considered on a case-by-case basis. Sailors assigned to transitory NEC (DNEC) positions will require approval of both the community detailer and the Transitory NEC detailer.

4. SDIP-C recoupment will be calculated as follows:

a. Divide the Sailor's lump sum SDIP payment by 12 (the minimum number of months required to be completed at sea). This is the SDIP-C "recoupment rate".

b. The amount to be recouped will be equal to the Sailor's SDIP-C recoupment rate multiplied by the number of months (including partial months) of the required 12 that were not completed.